



Can We Learn From the Fall of Rome?

Posted by [Pierluigi Oliverio](#) on Monday, September 27, 2010

The budget should be balanced, the Treasury should be refilled, public debt should be reduced, the arrogance of officialdom should be tempered and controlled and the assistance to foreign lands should be curtailed lest Rome become bankrupt. People must again learn to work, instead of living on public assistance. Cicero, 55 BCE

The San Jose convention center was visited by experts on the National Debt last Friday, Sept. 23. This was part of the Fiscal Solutions Tour comprised of both Democrats and Republicans, with budget expertise organized by the Concord Coalition. The speakers former titles included: the Comptroller General of the United States, head the General Accounting Office (GAO), head of the Congressional Budget Office, Public Trustee of the Social Security and Medicare program to name a few.

Unfortunately, the Power Point presentation stopped working after the first few slides, which was a shame since the slides were very informative and gave background information on the enormity of the problem we face. I showed their documentary film IOUSA at City Hall in May 2009 to show parallels with our own budget in San Jose.

The presenters shared some eye-opening items on Friday. One was that there is no Social Security trust fund. No money stashed away in a "lockbox" to pay obligations. Instead, there is a file cabinet in Virginia with a long list of IOU's, since the government has the spent the money. This year Social Security is paying out more in benefits then it takes in.

Another revelation was that this year we will spend \$202 billion just on interest on the national debt, which is more than the wars in Afghanistan and Iraq. By 2019, nearly all federal revenue will go to paying interest on the national debt and entitlement programs like Social Security, Medicare and Medicaid, leaving a sliver for military, food safety, science, etc.. Not mentioned was the sleeping giant of \$3-5 trillion in unfunded pensions from local and state governments nationally.

One may hope the federal government will bail out state and local governments from their pension obligations, however, it would require borrowing even more debt from foreign countries or raising income taxes to benefit one group in society instead of other priorities Americans may have. The more the United States borrows from other countries limits our liberty, as you must be nice to your lenders (foreign governments) even if they are wrong.

Whatever level of government, hard decisions must be made or citizens will feel the consequences of punting. When asked, "How we solve this problem?" Fiscal Solutions' David Walker said: "It depends if elected officials are willing to risk their jobs" ... "elected officials don't get re-elected by raising taxes and cutting spending. Instead they get re-elected for not raising taxes and increasing spending." The presenters offered solutions ranging from budget reform, defense spending, health care reform and yes raising taxes strategically.

Click on this link to view an online video that briefly lays out the problem and provides their proposed solutions.

<http://blip.tv/file/4048954>

Finally, a big thank you to the San Jose police officers who donated their time Saturday morning for the Willow Glen High School homecoming parade. Thank you Lt. Ta, Sgt. Montonye, Sgt. Moody, Sgt. Lira, Officer Ramirez and Officer Herbs.

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